evidenced by the wonderful rice terraces of Northern Luzon. Under the initiative of Spanish priests 27,700 hectares of rice land were placed under irrigation at an estimated cost of ^6,000,000. To this the American regime has added irrigating systems for 83,200 hectares at a cost of pi 8,647,000. To these must be added private systems built during the past twenty-five years irrigating 604,000 additional hectares, and bringing the grand total of irrigated land up to 715,000 hectares, a great advance over the 27,700 hectares of the Spanish regime.

Of the port works in use today, only the old river walls and a very short part of the north breakwater at Manila were built prior to 1898. During the past 35 years ^75,000,000 have been devoted to construction and improvement at nearly 100 ports throughout the Islands, ranging from the breakwater, sheltered harbor, and modern piers at Manila to simple landings for small coasters at isolated towns.

There is reflected in all this an earnestness of purpose in the American stewardship, and a capacity on the part of the Filipino people to build and enjoy better things. The Filipino people can continue to have them only if the tax burden is levied equitably, paid cheerfully, and spent wisely for the good of the people as a whole.

INTERISLAND SHIPPING

Before American occupation there was very little interisland shipping. Seven days after the fall of Manila the Manila Custom-house was established. It was apparent that there should be a larger number of ships in the coastwise service, to strengthen the newly established civil government and better conditions for farmers in all sections of the Islands. In March, 1902, 196 ports were opened to interisland traffic. There being no government funds available for subsidies, arid few capitalists and merchants willing to invest in shipping, Act 520 was passed in November, 1902, throwing open coastwise trade to foreign vessels without restriction until July, 1904. A growing tendency towards nationalization of the coastwise shipping industry culminated in Act 3084 passed in March, 1923, which provides that only vessels of domestic ownership may engage in the coastwise trade.

Foreign firms which had engaged in the trade before 1904 were allowed to continue but were prohibited from adding any new ships.

Prior to December, 1927, interisland service was mediocre. Fixed schedules were not maintained, and the service was uncertain and unsatisfactory. With the passage of Act No- 3418 the jurisdiction of